

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6997

BILL NUMBER: HB 2069

DATE PREPARED: Jan 26, 2001

BILL AMENDED:

SUBJECT: Child Support.

FISCAL ANALYST: Kathy Norris

PHONE NUMBER: 234-1360

FUNDS AFFECTED: X

**GENERAL
DEDICATED
FEDERAL**

X

IMPACT: State & Local

Summary of Legislation: This bill provides for an order directing a person to pay a child support arrearage. The bill specifies that an order directing a person to pay a child support arrearage is enforceable by contempt or any other remedy available for the enforcement of a child support decree.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues: This bill provides for separate court orders and enforcement remedies for child support arrearages. To the extent that enforcement leads to an increased recovery of child support payments by the state when payments have been assigned to the state by the application for assistance under TANF or AFDC, there could be positive impacts on local, state, and federal collections.

This bill would apply to a child support arrearage arising from a dissolution of a marriage or a legal separation. The local, state, and federal government only retain support payments or arrearages in Title IV-D cases where the child was on public assistance. (*Counties would participate in distributions applicable to previous participation in the AFDC public assistance payments.*) Under the current statutes governing the distribution of child support payments and arrearages due, money owed to the child is paid first before any money is distributed to units of government. The only exception is that money recovered from federal income tax refund intercepts are distributed to the state, local, and federal governments first. The table below indicates the magnitude of child support payments collected and distributed by the Child Support Bureau.

Disbursement of Child Support Collected		
Distributed Collections	FY 1998	FY 1999
TANF Recipients	9,016,577	9,340,926
Non-TANF Recipients	192,305,234	227,705,292
Federal	11,384,809	11,129,190
State	6,005,080	5,988,161
County	8,690,896	8,280,279
Total Disbursements	227,402,596	262,443,848

Explanation of Local Expenditures:

Explanation of Local Revenues: See Explanation of State Revenues.

State Agencies Affected: Family and Social Services Administration, Division of Family and Children, Child Support Bureau.

Local Agencies Affected:

Information Sources: Amy Brown, Legislative Liaison for the Division of Family and Children. "1999 Demographic Trend Report" Division of Family and Children.